



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210

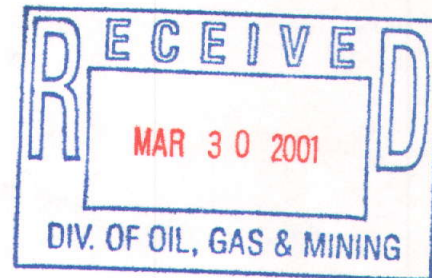
PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

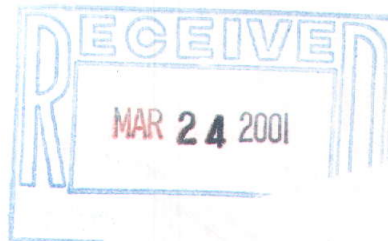
801-538-7223 (TDD)



March 19, 2001

CERTIFIED RETURN RECEIPT

7000 0520 0021 7582 8777



Lon Thomas

Star Stone Quarries, Inc

4040 South 300 West

Salt Lake City, Utah 84107

Re: Revised Notice of Tentative Approval to Commence Large Mining Operations, Star Stone Quarries, Inc., Cotton Thomas Quarry, M/003/024, Box Elder County, Utah

Dear Mr. Thomas:

As you are aware, the Division received comments from three (3) individuals during the public comment period for the Cotton Thomas Quarry tentative approval notice. Since no public hearing was requested, the Division has processed the public comments administratively. This process has resulted in the Division adding the following tentative approval conditions to the Cotton Thomas Quarry permit. Please accept these conditions in writing by March 30, 2001.

Condition #1:

Star Stone Quarries, Inc. must identify and fence the property line and disturbed area boundary separating the operator's property from that of the adjacent land owner (Pickett Ranch and Sheep Company). The fence must extend a minimum of 100 feet to the north and south of the East Granite Pit proposed disturbed area as shown on map/drawing #6.6. Prior to erecting or extending the fence, the Operator must contact the Division and the adjacent property owner for a site inspection to assure that the property line has been properly identified. The fence must be installed before conducting any further mining related activities in the vicinity of the East Granite Pit, and/or prior to July 31, 2001.

Condition #2:

The operator will apply for, and obtain a mineral lease from the School and Institutional Trust Lands Administration, before removing any materials from, or conducting any mining activities within the Southeast 1/4 of the Northwest 1/4 of Section 20, Township 14 North, Range 17 West, SLBM. The Division's receipt of a copy of SITLA's lease approval notice will confirm that this condition has been adequately addressed.

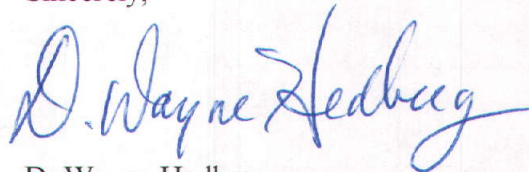
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Lon Thomas
M/003/024
March 19, 2001

The Division is prepared to issue final approval once you have accepted these conditions in writing, and you provide adequate reclamation surety (\$105,200.00) and a completed reclamation contract. Please sign and date this letter as indicated below. Two originals are attached. Keep one signed original for your files and return the second original to our office ASAP. Please provide a draft of the reclamation surety form and the reclamation contract form no later than April 3, 2001.

Should you fail to provide these items within the requested time frames (without prior written justification), the Division may revoke its tentative approval decision.

If you have any questions in this regard, please contact me, or Lynn Kunzler at (801) 538-5286 or 538-5310, respectively. Thank you for your cooperation and patience in completing the large mine permitting process for this project.

Sincerely,



D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb
cc: Mike Ford, BLM
Mary Ann Wright, DOGM
Lynn Kunzler, DOGM
o:\thomas\M03-024 revised tent approval.wpd

Acceptance of Conditions of Tentative Approval:

I, Lon Thomas, as owner and operator of Star Stone Quarries, Inc., hereby agree to abide by the assigned tentative approval conditions for the Cotton Thomas Quarry.



Lon Thomas, Owner
Star Stone Quarries, Inc.

3-28-01

Date